

## Letter: Beware auto insurance fraud in Michigan

By: Dennis Jay

Insurance fraud is a large employer in Michigan, but not the kind residents want.

Crooked medical clinics and staged crash rings are rifling auto insurers with false injury claims. The state's unlimited no-fault benefits are a treasure chest that attracts cheaters who are, well, driven.

The costs of rampant bogus claims get passed onto honest drivers. No-fault scams help raise auto premiums at a time when every dollar counts.

More than 80 percent of states have an anti-fraud agency to investigate insurance crimes. Properly funded, they've proven effective in deterring fraud, supporting prosecutions and coordinating anti-fraud efforts statewide.

But Michigan joins the small minority of states without a fraud bureau. It's the second most populous state without one.

A proposal in the Legislature, House Bill 4612, would create an automobile fraud authority focused 100 percent on crash rings and other auto-insurance crimes. The authority would help fund investigators and prosecutors.

A similar authority in Pennsylvania produces impressive results against diverse insurance cons, especially auto. So the model works. A Michigan authority would be important for lowering no-fault fraud, and helping make auto coverage more affordable.

Michigan finally has a chance to raise the heat on auto swindlers. Residents should urge their legislators to vote "yes" for creating the no-fault fraud authority.

Michigan should be a speed trap for insurance criminals, not a highway to unjust riches.

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